

AN ACT

To provide for the purchase of bonds to cover civilian officers and employees and military personnel of the Federal Government.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 14 of title 6 of the United States Code is amended to read as follows:

61 Stat. 650.

"§ 14. Purchase of Bonds to Cover Officers and Employees of the Federal Government

"(a) Subject to subsection (b) of this section, the head of each department and independent establishment in the executive branch of the Federal Government shall obtain, under regulations which shall be promulgated by the Secretary of the Treasury, blanket, position schedule, or other types of surety bonds covering the civilian officers and employees and military personnel of such department or independent establishment who are required by law or administrative ruling to be bonded. The appropriate officials of the legislative and judicial branches of the Federal Government may obtain any or all of such types of surety bonds covering such officers and employees under their respective jurisdictions as such officials may deem appropriate to be bonded. Each bond obtained under this section shall be of the most economical type available for the number and type of personnel to be bonded and shall be conditioned upon the faithful performance of the duties of the individual or individuals so bonded. The bond premium may cover a period not exceeding two years and shall be paid from any funds available for the payment of administrative expenses at the time such premium becomes payable. Whenever any civilian officers or employees or military personnel are covered by a bond under authority of this section, the surety or sureties on any existing bond of any such civilian officers or employees or military personnel shall not be liable for any defaults occurring subsequent to the date of the new coverage. For purposes of this section, the term 'faithful performance of the duties' shall include the proper accounting for all funds or property received by reason of the position or employment of the individual or individuals so bonded and all duties and responsibilities imposed upon such individual or individuals by law or by regulation issued pursuant to law.

69 Stat. 618.

69 Stat. 619.

"(b) If, in the opinion of the head of the department or independent establishment concerned, the premium cost for any bond procured under this section covering officers or employees in the executive branch of the Federal Government will exceed the rate of \$150 per annum, the procurement of such bond shall be made by the head of such department or independent establishment only after advertising a sufficient time previously for proposals for the furnishing of such bond, except that such advertising for proposals shall not be required when the public exigencies require the immediate procurement of such bond.

Advertising for proposals.

"(c) The Secretary of the Treasury shall transmit to the Congress, on or before June 30, 1956, a comprehensive report of the operations of the departments and independent establishments under this section. Thereafter, the Secretary of the Treasury shall transmit to the Congress on or before October 1 of each year, beginning with the year 1957, a comprehensive report of such operations during the preceding fiscal year. Such report shall include, among other matters, information, in summary and in detail, with respect to operations under this section, setting forth—

Reports to Congress.

"(1) the number of officers and employees covered by bonds procured under this section,

"(2) the number and types of bonds procured under this section and the individual penal sums thereof,

"(3) the amounts of the premiums paid for bonds procured under this section, and

"(4) such other information as may be necessary to enable the Committee on Post Office and Civil Service of the Senate and the Committee on Post Office and Civil Service of the House of Representatives to determine the results of operations under this section.

The reports submitted by the Secretary of the Treasury under this section shall be delivered to the President of the Senate and to the Speaker of the House of Representatives (or to the Clerk of the House and the Secretary of the Senate, respectively, if the Congress is not in session) on the same day, and shall be referred to the Committee on Post Office and Civil Service of each House."

69 Stat. 619.

69 Stat. 620.

61 Stat. 648.

SEC. 2. The last sentence of section 6 of title 6 of the United States Code is amended to read as follows: "Except with respect to bonds obtained under section 14 of this title, no officer or person having the approval of any bond shall require that such bond shall be furnished by a guaranty company or by any particular guaranty company."

SEC. 3. The analysis of title 6 of the United States Code, immediately preceding section 1 of such title, is amended by striking out the item "14. Rate of premium on bond; premiums not to be paid by United States."

and inserting in lieu thereof the following:

"14. Purchase of bonds to cover officers and employees of the Federal Government."

Effective date.

SEC. 4. The amendments made by this Act shall take effect on January 1, 1956.

Approved August 9, 1955.

55 AUG 28 AM 7:55

APPROLLED

STATINTL

TRANSMITTAL ¹ 24 Aug. 55 (Date)		
TO: Mr. [REDACTED]		
BUILDING Alcott	ROOM NO. 1502	
REMARKS: mems DD/s bonding of employees for Saunders sign.		
FROM: [REDACTED] /OGC		
BUILDING East	ROOM NO. 226	EXTENSION 621
FORM NO. 36-8 SEP 1946		

STATINTL